

Art. IV, 4.11(d)(2)(ii)

Optional Life Insurance Reduction	
Age at Retirement	Percentage of Insurance In Effect on The Employee's Retirement Date
66	90%
67	80%
68	70%
69	60%
70	50%
71	40%
72	30%
73	20%
74	10%
75	0

No insurance is provided on and after the month in which the Employee attains age 75.

(e) Contributions

The Employee will contribute the full cost of Optional Life Insurance. Contributions will be payable monthly in advance and, where possible, from any monies then payable to the Employee in the form of wages or benefits payable under a Delphi benefit plan.

The required monthly contribution is established by the Carrier for each plan year and is subject to change.

For Employees eligible to participate in the Options! Program, the amount of the monthly contribution will be based on the Employee's age as of December 31 of the applicable Options! Program plan year.

For all other Employees, the monthly contribution will be based on the Employee's age as of the effective date of coverage. When the Employee attains a birthday, which places the Employee in a higher age bracket, the monthly contribution will change on the first day of the calendar month next

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following the month in which such birthday occurs. If the amount of the Employee's Optional Life Insurance is changed because of a change in Annual Base Salary, the monthly contribution will automatically change on the date such change in the amount of insurance becomes effective.

(f) Payment of Optional Life Insurance

- (1) The amount of Optional Life Insurance is payable to the beneficiary of record of the Employee in the event of death from any cause while the Employee is insured under the Program for Optional Life Insurance. In the absence of a designated beneficiary for Optional Life Insurance, such insurance will be paid to the last designated beneficiary of record of the Employee for Basic Life Insurance.
- (2) At the written request of the beneficiary, Optional Life Insurance will be paid either in a lump sum or in installments. No installment settlement election will be valid if such settlement would result in installment payments of less than \$10.00 each.
- (3) If the insurance is payable in installments and the beneficiary dies before all installments have been paid, the unpaid installments will be commuted at the rate of interest used in computing the amount of installment payments, and paid in one lump sum to the estate of the beneficiary unless otherwise provided in the election of an installment settlement.
- (4) The Employee's insurance certificate will set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of the Employee.
- (5) This insurance is term insurance without cash, loan or paid-up values.

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(g) Cessation of Insurance

Optional Life Insurance will cease on the earliest of the following:

- (1) The date the Employee ceases to be insured for Basic Life Insurance provided in accordance with Section 4.02 of this Article except that for an Employee hired on or after January 1, 1993, or whose adjusted service date is on or after January 1, 1993, who retires with benefits (other than deferred vested) under the Delphi Retirement Program for Salaried Employees, Optional Life Insurance will not cease if the Employee has 10 or more Years of Participation as of the date of retirement or the Employee retires at age 55 or later under Part C of the Delphi Retirement Program for Salaried Employees.
- (2) The effective date of the Employee's election under the Options! Program to decrease Basic Life Insurance from two times Annual Base Salary to one times Annual Base Salary.
- (3) If the Employee fails to make a required contribution for Optional Life Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due. However, if Optional Life Insurance ceases in accordance with subsection (g)(1) above or this item (g)(3) while the Employee is on a leave of absence, it will be reinstated on the date the Employee returns to active work for the Corporation, provided the Employee is then still eligible for Optional Life Insurance as set forth in Section 4.11(a) of this Article and makes the required contribution.
- (4) The last day of the calendar month in which the Employee attains age 75, or the last day of the calendar month immediately preceding the Employee's retirement effective date, if later.

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- (5) On the 30th day immediately following the date of the event which causes an Applicant Owner to no longer qualify as an Applicant Owner, as set forth in subsection (j) below.
- (6) The date of discontinuance of Optional Life Insurance as a coverage available under the Program.

(h) Conversion Privilege

- (1) Upon written application made to the Carrier within 31 days after the date of cessation of the Employee's Optional Life Insurance because of cessation of the Employee's Basic Life Insurance in accordance with Article V, Section 5.08(a), the Employee will be entitled to have issued to such Employee by the Carrier, without evidence of insurability, an individual policy of life insurance only, without disability or accidental means death benefits. Such individual policy will be upon one of the forms then customarily issued by the Carrier, except term insurance, and the premium for such individual policy will be the premium applicable to the class of risk to which the Employee belongs and to the form and amount of the individual policy at the Employee's attained age at the date of issue of such individual policy. The amount of such individual policy will be equal to (or, at the option of the Employee, less than) the amount of the Employee's Optional Life Insurance under the Program on the date of cessation of such Insurance.
- (2) Any individual policy of life insurance so issued will become effective at the end of the 31-day period during which application for such individual policy may be made. If, however, the Employee dies during such 31-day period, the Carrier will pay to the Employee's beneficiary of record, whether or not the Employee has made application for such individual policy, the maximum amount of life insurance for which an individual policy could have been issued.

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No such payments will be made under subsection (h)(2) of this Section 4.11 on account of an Employee who becomes insured under any group policy issued to the Corporation or to any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of Delphi for the same or similar insurance within such 31-day period.

(i) Assignment

The Employee may transfer by absolute and irrevocable assignment, as a gift (a viatical assignment does not qualify as a gift), all the Employee's rights, title, interests and incidents of ownership, both present and future, under Optional Life Insurance. No assignment will be binding upon the insurance company unless it is in a form acceptable to the insurance company and until it has been accepted and filed with the insurance company. The insurance company assumes no obligation as to the validity or sufficiency of any assignment.

An assignment made pursuant to the above will not destroy the right to the death benefits of a beneficiary (or beneficiaries) last designated prior to such assignment, if the assignee does not revoke the interest of such beneficiary (or beneficiaries), and if such beneficiary (or beneficiaries) survives the Employee.

(j) Applicant Owner (Applicable to Employees whose service date is prior to January 1, 2001)

Prior to January 1, 2001, Optional Life Insurance could be applied for, paid for, and owned by a person other than the Employee, provided such person was an adult who had the relationship to the Employee of a spouse, child, son-in-law, daughter-in-law, parent, brother, brother-in-law, sister, sister-in-law, grandchild, or grandparent.

If the Optional Life Insurance is owned by such a person (herein called Applicant Owner), all title and incidents of ownership in the Optional Life Insurance are vested in the Applicant Owner who alone may exercise every

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right and privilege with respect to such insurance which otherwise could have been exercised by the Employee.

If the Optional Life Insurance owned by an Applicant Owner ceases because of an event which causes the Applicant Owner to no longer qualify as an Applicant Owner, the Employee will be automatically excluded from eligibility for Optional Life Insurance under subsection (a), above, on the date of cessation of such Insurance. Such Employee may become eligible for other Optional Life Insurance on the first day following the date of cessation of such insurance provided the Employee is otherwise eligible as described in subsection (a) above. Such first day is the Employee's eligibility date. The provisions of this Section 4.11 except (j) will generally apply to an Employee insured under the modified Optional Life Insurance, provided the Employee enrolls and elects an amount of insurance equal to or less than the amount of insurance owned by the Applicant Owner.

4.12 – Dependent Life Insurance

(a) Eligibility

An Employee as defined in Article II, Section 2.05 who is insured for Basic Life Insurance described in Section 4.02 of this Article will become eligible for Dependent Life Insurance as follows:

- (1) An Employee whose service date is prior to January 1, 2001, will become eligible for Dependent Life Insurance on such date or the first day of the third month next following the month in which employment with the Corporation commences, if later.
- (2) An Employee whose service date is on or after January 1, 2001, will become eligible for Dependent Life Insurance on the first day of the second month next following the month in which employment with the Corporation commences.

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An Employee is eligible for Dependent Life insurance on account of a spouse or Dependent Child as set forth in (3) and (4) below.

The date that the Employee becomes eligible for Dependent Life Insurance will be referred to hereinafter as the Employee's eligibility date.

(3) Eligibility for Dependent Life Insurance for a Spouse

An Employee is eligible for Dependent Life Insurance for the Employee's spouse on the eligibility date set forth above provided the Employee is enrolled for such coverage and has an eligible spouse.

If the Employee is (i) not then insured for Basic Life Insurance, or (ii) does not then have an eligible spouse, such Employee will become eligible for Dependent Life Insurance on account of a spouse on the first day of the calendar month following the date both of these conditions are first met.

(4) Eligibility for Dependent Life Insurance for a Dependent Child

The Employee is eligible for Dependent Life Insurance for a Dependent Child on the eligibility date set forth above provided the Employee has at least one Dependent Child as defined in Article II, Section 2.04.

If the Employee (i) is not then insured for Basic Life Insurance, or (ii) does not then have a Dependent Child, the Employee will become eligible for Dependent Life Insurance on account of a Dependent Child on the first day of the calendar month following the date both of these conditions are first met.

(b) Enrollment and Effective Dates

An eligible Employee may enroll for Dependent Life Insurance when first eligible, during the Options! Program's annual enrollment period or due to a qualifying life event change.

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Except as set forth in Article VI, Section 6.07, the Employee's Dependent Life Insurance will become effective as set forth below:

- (1) If the Employee's enrollment form is received by the Carrier on or before the Employee's eligibility date, insurance becomes effective on the eligibility date.
- (2) If the Employee's enrollment form is received by the Carrier during the 31-day period following the Employee's eligibility date, or in the case of an Employee who was on a leave of absence on such eligibility date and subsequently returns to work, during the 31-day period following the date of the Employee's return to work, the insurance becomes effective on the first day of the calendar month next following the date the Employee's enrollment form is received, provided the Employee is then Actively at Work.

Effective January 1, 2005, if an Employee elects an amount of Dependent Life Insurance for a spouse that exceeds \$100,000 when the Employee is initially eligible, the Employee must furnish proof satisfactory to the Carrier of the spouse's good health. Insurance amounts in excess of \$100,000 will become effective the first day of the calendar month next following the date the Carrier approves such proof.

- (3) If the Employee's enrollment form is received by the Carrier after the periods set forth in subsections (1) and (2) above, the Employee may enroll or increase coverage during the Options! Program's annual enrollment period or if the Employee has a qualifying life event. The Employee must furnish proof satisfactory to the Carrier of each Dependent's good health.

If the Employee is enrolling during the Options! Program's annual enrollment period, insurance will become effective on the later of January 1 or the first day of the calendar month next following the date

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the Carrier approves such proof.

If the Employee is enrolling due to a qualifying life event, insurance will become effective on the first day of the calendar month next following the date the Carrier approves such proof, with respect to those persons whose evidence has been approved and who are still eligible Dependents as defined in Article II, Section 2.04.

In any event, for insurance to become effective:

- (4) a signature is required from Dependents age 18 or over who are enrolled for the first time in \$10,000 or more of coverage. This also includes any increase in coverage that raises the amount to \$10,000 or more. Coverage on any Dependent whose signature is required will not take effect unless the signed form is received by the Carrier; and
- (5) the Employee must be Actively at Work on the date insurance would otherwise become effective. If the Employee is not Actively at Work on such date, insurance becomes effective on the date the Employee returns to active work, provided the Employee is then still eligible as set forth in subsection (a), above.

If the Employee becomes insured for Dependent Life Insurance and later enrolls for a lower amount of insurance during the Options! Program's annual enrollment period or due to a qualifying life event, the Employee will become insured for such lower amounts of insurance on January 1 following the Options! Program's annual enrollment period or on the first day of the calendar month next following the month in which the Employee's enrollment form is received due to a qualifying life event, provided the Employee's form is received within the 31-day period provided for a qualifying life event. Such lower amount of insurance will become effective whether or not the Employee is then Actively at Work.

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(c) Amounts of Insurance

An Employee may elect an amount of Dependent Life Insurance as set forth in the following schedules:

Note: An Employee who is a resident of Texas may not elect an amount of Dependent Life Insurance which exceeds the combined amount of their Basic Life and Optional Life Insurance.

DEPENDENT LIFE INSURANCE	
Spouse Coverage	
Applicable to	Benefit Amount
An Employee whose service date is prior to January 1, 2001	\$10,000; \$25,000; \$50,000; \$75,000; \$100,000, <u>\$150,000⁽¹⁾</u> or <u>\$200,000⁽¹⁾</u>
An Employee whose service date is on or after January 1, 2001	\$25,000; \$50,000; \$75,000; \$100,000, <u>\$150,000⁽¹⁾</u> or <u>\$200,000⁽¹⁾</u>
Child(ren) Coverage	
Applicable to	Benefit Amount
All Employees	\$5,000, \$10,000, \$15,000 or <u>\$20,000⁽¹⁾</u>
<u>(1) Amounts effective as of January 1, 2005</u>	
<i>No increase in the amount of insurance in force on account of any Dependent will occur after the Employee's death.</i>	

(d) Special Death Benefit

A special death benefit may be payable to an Employee insured on account of a spouse in the event of the death of the Employee's first born child. This special benefit of \$2,000 will cover the Employee's first born child from the moment of live birth for a period up to 60 days, except that no benefit will be paid under this provision if the Employee is then covered for Dependent Life Insurance on such child.

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(e) Continuation for Certain Survivors

In the event an Employee dies while insured for Dependent Life Insurance, the insurance as set forth in subsection (c) above, may be continued for the surviving spouse of the Employee and any Dependent Child who continues to be eligible, as set forth in Article II, Section 2.04. The surviving spouse must make the required contributions for such continuation of Dependent Life Insurance.

(f) Contributions

The Employee will contribute the full cost of Dependent Life Insurance. Contributions will be payable monthly in advance and, where possible, from any monies then payable to the Employee in the form of wages or benefits payable under any Delphi benefit plan. The required monthly contribution is established by the Carrier for each plan year and is subject to change.

(1) Contributions for Dependent Life Insurance for a Spouse

For Employees eligible to participate in the Options! Program, the amount of the monthly contribution will be based on the Employee's age as of December 31 of the applicable Options! Program plan year.

For all other Employees, the amount of the monthly contribution will be based on the Employee's age as of the effective date of coverage. When the Employee's birthday places the Employee in a higher age bracket the monthly contribution will change on the first day of the calendar month next following the month in which such birthday occurs.

(2) Contributions for Dependent Life Insurance for a Dependent Child

The monthly rate of contribution for coverage on account of a Dependent Child will be established by the Carrier for each plan year and is subject to change. The amount will be the same regardless of the number of eligible Dependent Children.

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In the case of Dependent Life Insurance continued after the Employee's death, the surviving spouse of the Employee will contribute the full cost of such insurance. Contributions will be deducted monthly, in advance, from any monies then payable to the surviving spouse under the Delphi Retirement Program for Salaried Employees. However, to continue this insurance if the surviving spouse is not eligible for a benefit under the Delphi Retirement Program for Salaried Employees, the spouse must make the required contribution, annually and in advance. In either case, the monthly rate of contribution for coverage on account of such spouse will be determined by the Carrier and will increase based on the progressing age of the surviving spouse.

(g) Payment of Dependent Life Insurance

- (1) If a Dependent dies from any cause while the Employee is insured for Dependent Life Insurance, the amount of such insurance in force on account of the Dependent will be paid in a lump sum to the Employee.

The insurance certificate applicable to the Employee will set forth the procedure for payment of insurance in case a Dependent dies subsequent to the death of the Employee and prior to Dependent Life Insurance being continued as set forth in subsection (e) above.

- (2) If a Dependent Child dies from any cause while Dependent Life Insurance is being continued as set forth in subsection (e), above, the insurance in force on account of the Dependent Child will be paid in a lump sum to the surviving spouse of the Employee.
- (3) If the surviving spouse of the Employee dies from any cause while Dependent Life Insurance is being continued as set forth in subsection (e), above, the insurance in force on account of the surviving spouse will be paid in a lump sum to the spouse's beneficiary of record if one has been designated, otherwise to the estate of the surviving spouse.

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- (4) The insurance certificate will set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of a Dependent.
 - (5) In no event will more than one claim be paid hereunder on account of the death of any insured person. In the event that coverage for a Dependent Child is elected under this Program by more than one eligible Employee, only the amount of insurance elected by the Employee with the earlier birthday in the calendar year will be paid. Such payment will satisfy the Program's liability on account of the death of that Dependent Child.
 - (6) This insurance is term insurance without cash, loan or paid-up values.
- (h) Cessation of Insurance
- (1) An Employee's Dependent Life Insurance will cease on the earliest of the following:
 - (i) The date the Employee ceases to have a Dependent as defined in Article II, Section 2.04;
 - (ii) The date the Employee ceases to be insured for Basic Life Insurance provided in accordance with Section 4.02 of this Article except that for an Employee whose service date is on or after January 1, 1993, who retires with benefits (other than deferred vested) under the Delphi Retirement Program for Salaried Employees, Dependent Life Insurance will not cease if the Employee has 10 or more Years of Participation as of the date of retirement;
 - (iii) If the Employee fails to make a required contribution for Dependent Life Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such

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contribution was due. However, if Dependent Life Insurance ceases in accordance with item (ii) above or this item (iii) while the Employee is on a leave of absence, it will be reinstated on the date the Employee returns to active work for the Corporation, provided the Employee is then still eligible and makes the required contribution;

- (iv) The last day of the calendar month in which the Employee attains age 70 or the last day of the calendar month immediately preceding the Employee's retirement effective date, if later; or
 - (v) The date of discontinuance of Dependent Life Insurance as a coverage available under the Program.
- (2) Any Dependent Life Insurance continued in accordance with the provisions of subsection (e), above, will cease on the earliest of the following:
- (i) The date of the surviving spouse's remarriage, or the date the surviving spouse enters into a new same-sex domestic partner relationship;
 - (ii) The last day of the calendar month in which the surviving spouse attains age 70;
 - (iii) The date the surviving spouse dies;
 - (iv) If the surviving spouse fails to make a required contribution as set forth in subsection (f), above, when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due; or

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(v) The date of discontinuance of Dependent Life Insurance as a coverage available under the Program.

(3) The Dependent Life Insurance on account of any Dependent will, in any case, automatically cease on the day immediately preceding the date such person ceases to be a Dependent as defined in Article II, Section 2.04.

(i) Conversion Privilege

Upon written application made by a person to the Carrier within 31 days after the date of cessation of the Dependent Life Insurance on account of such person because of:

- (1) cessation of the Employee's Basic Life Insurance provided in accordance with Section 4.02 of this Article, unless such cessation was due to discontinuance of Dependent Life Insurance as a coverage available under the Program;
- (2) cessation of Dependent Life Insurance in accordance with subsection (h)(2)(i) and (iii) above; or
- (3) such person's ceasing to be a Dependent as defined in Article II, Section 2.04.

Such person will be entitled to have an individual policy of life insurance only, without disability or accidental means death benefits, issued by the Carrier, without evidence of insurability. Such individual policy will be upon one of the forms then customarily issued by the Carrier, except term insurance, and the premium for such individual policy will be the premium applicable to the class of risk to which such person belongs and to the form and amount of the individual policy at such person's attained age at the date of issue of such

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individual policy. The amount of such individual policy will be equal to (or at the option of such person, less than) the amount of Dependent Life Insurance in force on account of such person on the date of cessation of such insurance. Any individual policy of life insurance so issued will become effective at the end of the 31-day period during which application for such individual policy may be made. If, however, the person who is entitled to the privilege of obtaining an individual policy of life insurance dies during such 31-day period, the Carrier will pay benefits in accordance with subsection (g), above, as though insurance had been in force, whether or not application for such individual policy was made, the maximum amount of life insurance for which an individual policy could have been issued. The Employee's insurance certificate will set forth the procedure for payment of insurance in case such person dies subsequent to the death of the Employee.

No such payments will be made under subsection (i) of this Section 4.12 on account of an Employee who becomes insured under any group policy issued to the Corporation or to any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of Delphi for the same or similar insurance within such 31-day period.

4.13 – Personal Accident Insurance

(a) Eligibility

An Employee as defined in Article II, Section 2.05 who is insured for Basic Life Insurance described in Section 4.02 of this Article, will become eligible for Personal Accident Insurance on the Employee's own account (personal coverage) as follows:

- (1) An Employee whose service date is prior to January 1, 2001, will become eligible for Personal Accident Insurance on such date or the first day of the third month next following the month in which employment with the Corporation commences, if later.

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- (2) An Employee whose service date is on or after January 1, 2001, will become eligible for Personal Accident Insurance on the first day of the second month next following the month in which employment with the Corporation commences.

An Employee insured on the Employee's own account will be eligible for Personal Accident Insurance on account of the Employee's Dependents as defined in Article II, Section 2.04, as set forth in (3) and (4) below.

The date that the Employee becomes eligible for Personal Accident Insurance will be referred to hereinafter as the Employee's eligibility date.

- (3) Eligibility for Personal Accident Insurance for a Spouse

The Employee is eligible for Personal Accident Insurance for the Employee's spouse on the same day the Employee is eligible for personal coverage, provided the Employee is enrolled for such coverage and has an eligible spouse.

If the Employee (i) does not have personal coverage when such Employee is married, or (ii) is not married when personal coverage becomes effective, the Employee will become eligible for coverage for the Employee's spouse on the first day of the calendar month following the date both of these conditions are first met.

If the Employee (i) does not have personal coverage when such Employee has an established same-sex domestic partner relationship under the Delphi Health Care Program for Salaried Employees, or (ii) does not have an established same-sex domestic partner relationship under the Delphi Health Care Program for Salaried Employees when personal coverage becomes effective, the Employee will become eligible for coverage for the Employee's same-sex domestic partner

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on the first day of the calendar month following the date both of these conditions are first met.

(4) Eligibility for Personal Accident Insurance for a Dependent Child

An Employee is eligible for Personal Accident Insurance for a Dependent Child on the same day such Employee is eligible for personal coverage, provided the Employee is enrolled for such coverage and has at least one Dependent Child as defined in Article II, Section 2.04.

If the Employee does not have personal coverage when acquiring the first Dependent Child or does not have at least one Dependent Child when personal coverage becomes effective, the Employee will become eligible for coverage for a Dependent Child on the first day of the calendar month following the date both of these conditions are first met.

(b) Enrollment and Effective Dates

An eligible Employee may enroll for Personal Accident Insurance when first eligible, during the Options! Program annual enrollment period, or due to a qualifying life event change.

Except as set forth in Article VI, Section 6.07, Personal Accident Insurance will become effective as set forth below.

- (1) If the Employee's enrollment form is received by the Carrier on or before the Employee's eligibility date, insurance becomes effective on the eligibility date.
- (2) If the Employee's enrollment form is received by the Carrier during the 31-day period following the Employee's eligibility date, or in the case of an Employee who was on a leave of absence on such eligibility

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date subsequently returns to work, during the 31-day period following the date of the Employee's return to work, insurance becomes effective on the first day of the calendar month next following the date the Employee's enrollment form is received, provided the Employee is then Actively at Work.

- (3) If the Employee's enrollment form is received by the Carrier after the periods set forth in subsections (1) and (2) above, the Employee may enroll or increase coverage during the Options! Program's annual enrollment period or if the Employee has a qualifying life event. Insurance will become effective January 1 or on the first day of the calendar month following the date the Employee's enrollment form is received by the Carrier.

In any event, for an Employee to become insured initially, or for a higher amount of insurance, such Employee must be Actively at Work on the date such insurance or higher amount of insurance otherwise would become effective. If the Employee is not Actively at Work on such date, the insurance or higher amount of insurance becomes effective on the date the Employee returns to active work, provided the Employee is then still eligible as set forth in subsection (a), above.

If the Employee becomes insured for Personal Accident Insurance and later enrolls for a lower amount of insurance during the Options! Program annual enrollment period or due to a qualifying life event, the Employee will become insured for such lower amount of insurance on January 1 following the Options! Program's annual enrollment period or on the first day of the calendar month next following the month for which the Employee's enrollment form is received within the 31-day period provided for a qualifying life event. Such lower amount of insurance will become effective whether or not the Employee is then Actively at Work.

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(c) Amounts of Insurance

(1) Amounts of Personal Coverage

An Employee may elect personal coverage as set forth in the following schedule:

PERSONAL ACCIDENT INSURANCE	
Applicable to	Coverage Amount
An Employee whose service date is prior to January 1, 2001	\$10,000; \$25,000; \$50,000; \$100,000; \$200,000; \$250,000; \$300,000; \$400,000; \$500,000; <u>\$750,000⁽¹⁾</u> ; or <u>\$1,000,000⁽¹⁾</u>
An Employee whose service date is on or after January 1, 2001	\$100,000; \$200,000; \$300,000; \$400,000; \$500,000; <u>\$750,000⁽¹⁾</u> ; or <u>\$1,000,000⁽¹⁾</u>
<p><u>(1) Amounts effective January 1, 2005</u></p> <p><i>For any amount of insurance over \$300,000, the amount elected may not exceed ten times the Employee's Annual Base Salary.</i></p>	

(2) Amount of Coverage on a Spouse

The Employee may elect an amount of Personal Accident Insurance on an eligible spouse from the amounts set forth above, as applicable to the Employee. However, Personal Accident Insurance on a spouse may not exceed the amount of the Employee's personal coverage.

If the amount of Personal Accident Insurance on a spouse exceeds the amount of the Employee's personal coverage because:

- (i) the Employee later elects an amount of personal coverage less than the amount of coverage for the Employee's spouse; or

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- (ii) the Employee's personal coverage reduces in accordance with subsection (c)(4), below, to an amount less than the amount of coverage for the Employee's spouse; the amount of Personal Accident Insurance on the Employee's spouse automatically will reduce on the effective date of such election or such reduction to an amount equal to the Employee's personal coverage.

(3) Amount of Coverage for a Dependent Child

The Employee may elect an amount of Personal Accident Insurance on an eligible Dependent Child as set forth in the following schedule:

Applicable to	Coverage Amount
All Employees	\$10,000; \$20,000; \$30,000; \$40,000; \$50,000; or <u>\$100,000⁽¹⁾</u>
<p><u>(1) Amount effective January 1, 2005</u></p> <p><i>Personal Accident Insurance on a Dependent Child may not exceed the amount of the Employee's personal coverage.</i></p>	

If the amount of Personal Accident Insurance on a Dependent Child exceeds the amount of the Employee's personal coverage because the Employee later elects an amount of personal coverage less than the amount of coverage for a Dependent Child, the amount of Personal Accident Insurance on the Employee's Dependent Child automatically will reduce on the effective date of such election to an amount equal to the Employee's personal coverage. If an amount of coverage equal to the Employee's personal coverage is not available to a Dependent Child, the Dependent Child's coverage will reduce to the next lower available amount.

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(4) Coverage at Retirement

The maximum amount of personal coverage in force after the Employee attains age 70 or upon retirement, if later, will be \$150,000 effective on the first day of the calendar month following the calendar month in which the Employee attains age 70 or the retirement effective date, if later.

(d) Special Death Benefit

A special death benefit may be payable to an Employee insured on account of a spouse in the event of the death of the Employee's first born child due to a covered accident. This special benefit of an amount equal to the lowest level of dependent child coverage will cover the Employee's first born child from the moment of live birth for a period up to 31 days, except that no benefit will be paid under this provision if the Employee is then covered for Personal Accident Insurance on such child.

(e) Contributions

The Employee will contribute the full cost of Personal Accident Insurance. Contributions will be payable monthly and where possible, from any monies then payable to the Employee in the form of wages or benefits payable under a Delphi benefit plan. The required monthly contribution rate is established by the Carrier for each plan year and is subject to change.

The amount of the monthly contribution for Personal Accident Insurance on a spouse is based on the amount of insurance elected.

The amount of the monthly contribution for Personal Accident Insurance on a Dependent Child is based on the amount of insurance elected, regardless of the number of eligible dependent children insured.

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(f) Losses

(1) Employee Only

The full amount of the Personal Accident Insurance in force on the date of a covered accident is payable for any of the following losses: loss of life, speech and hearing, total and permanent disability (as set forth below), or loss of any two or more members as defined in (g) below.

"Total and permanent disability" as used in this Section 4.13, means the Employee's complete inability to engage in any occupation or employment for remuneration or profit for which the Employee is suited by reason of education, training or experience; and which disability is determined by a licensed physician to be a total and permanent disability which will continue for the remainder of the Employee's life.

(2) Spouse

The full amount of the Personal Accident Insurance in force on the date of a covered accident is payable for any of the following losses: loss of life, loss of speech and hearing, paralysis (as set forth below), or loss of any two or more members as defined in (g) below.

(3) Employee or Spouse

One-half of the Personal Accident Insurance in force on the date of a covered accident is payable for any of the following losses; loss of one member, loss of speech, or loss of hearing in both ears.

One-quarter of the Personal Accident Insurance in force on the date of a covered accident is payable for the irrevocable loss of the thumb and index finger of the same hand.

Art. IV, 4.13(f)(4)

(4) Dependent Child

Two times the full amount of the Personal Accident Insurance in force on the date of a covered accident is payable for any of the following losses: loss of two or more members, loss of speech and hearing, or for paralysis as defined in (g) below.

The full amount of Personal Accident Insurance in force on the date of a covered accident is payable for loss of life or loss of any one member as defined in (g) below.

One-half of the Personal Accident Insurance in force on the date of a covered accident is payable for the loss of thumb and index finger of the same hand.

(5) Special Benefits

(i) Coma Benefit

One percent of the full amount of Personal Accident Insurance in force will be payable, on behalf of an insured Employee, covered spouse or covered child who becomes comatose within 365 days of a covered accident. Such benefit will be payable on the 32nd day of the coma and each month thereafter for a maximum of 100 months, until the date the comatose person regains consciousness or until death, if earlier, at which time any balance would be paid.

No benefit is payable for any covered person following the Employee's retirement.

(ii) Special Child Care Center

If the Employee's spouse and Dependent Child(ren) are insured, an additional benefit of five percent of the Employee's full amount

Art. IV, 4.13(f)(5)(ii)

of Personal Accident Insurance or the actual amount of child care costs, whichever is less, (subject to a maximum of \$6,000, or \$7,500 effective January 1, 2005, per year) will be paid to the beneficiary for up to four years for each eligible child, under the age of 13, enrolled (or who becomes enrolled within 90 days of the covered accident) in a qualified child care center, when the insured Employee or insured spouse suffers a loss of life as a result of a covered accident. If there is no Dependent Child who qualifies, an additional benefit of \$1,000 will be paid to the beneficiary.

No benefit is payable for any covered person following the Employee's retirement.

(iii) Spousal Occupational Training

If the Employee and spouse are insured, a benefit up to five percent (ten percent effective January 1, 2005) of the full amount of Personal Accident Insurance or the actual amount of expenses incurred, whichever is less, but not to exceed \$6,000 (\$25,000 effective January 1, 2005) per year, will be reimbursed to a surviving spouse, as a Spousal Occupational Training benefit, when the insured Employee suffers a loss of life as a result of a covered accident. The benefit is paid to the surviving spouse as reimbursement for attending a formal occupational training program in order to become specifically qualified for active employment in an occupation for which the spouse would not otherwise qualify. The benefit is provided for reasonable and necessary expenses incurred within three years of the date of the Employee's death. No payment will be made for room, board, or other living, traveling, or clothing expenses.

Art. IV, 4.13(f)(5)(iii)

No benefit is payable for any covered person following the Employee's retirement.

(iv) Special Education

If the Employee and Dependent Child(ren) are insured an additional benefit of up to five percent (ten percent effective January 1, 2005) of the Employee's full amount of Personal Accident Insurance or the actual amount of tuition, whichever is less, (subject to a maximum of \$6,000, or \$25,000 effective January 1, 2005, per year) will be paid as a Special Education benefit for each eligible Dependent Child when the insured Employee suffers a loss of life as a result of a covered accident. Each eligible Dependent Child must be enrolled as a full-time student in an accredited college or university within 365 days of the death of the Employee.

The benefit will be payable annually for up to four consecutive years providing the eligible Dependent Child continues education without interruption as a full-time student. Benefits payable beyond the first year require evidence that the child has successfully completed all academic requirements of the prior school year.

No payment will be made for room, board, or other living, traveling or clothing expenses. If there is no Dependent Child who qualifies, an additional benefit of \$1,000 will be paid to the beneficiary.

No benefit is payable for any covered person following the Employee's retirement.

Art. IV, 4.13(f)(5)(v)

(v) Seat Belt and Air Bag Benefit

If the Employee, Employee's spouse or Dependent Child(ren) are insured, an additional benefit of ten percent of the covered person's full amount of Personal Accident Insurance (subject to a maximum of \$25,000) will be paid to the beneficiary if the insured person suffers a loss of life as a result of a covered accident in a private passenger car and the covered person's seat belt was properly used. An additional benefit of ten percent of the covered person's full amount of Personal Accident Insurance (subject to a maximum of \$25,000) will also be payable if an air bag is deployed for the seat which such person occupied and while properly using a seat belt.

(vi) Repatriation Expense Benefit

If the Employee, Employee's spouse or Dependent Child(ren) are insured, a repatriation benefit of \$2,500 (\$5,000 effective January 1, 2005) will be paid for the preparation and transportation of the covered person's body to the city of such person's principal residence, if the covered person suffers a loss of life as the result of a covered accident, provided the death occurred at least one hundred miles away from such person's principal residence.

(g) Definitions for Losses

- (1) "Loss" means, with regard to hand or foot, complete severance through or above the wrist or ankle joint; loss of an eye means total and irrecoverable loss of sight; loss of thumb and index finger means severance of each through or above the joint closest to the wrist.
- (2) "Member" means hand, foot, sight of eye, speech or hearing in both ears.

Art. IV, 4.13(g)(3)

- (3) "Severance" means the complete separation and dismemberment from the body.
- (4) "Paralysis" means Quadriplegia, total paralysis of both upper and lower limbs; Paraplegia, total paralysis of both lower limbs; or Hemiplegia, total paralysis of upper and lower limbs on one side of the body.
- (5) "Loss of Speech" means total and irrecoverable loss of audible communication.
- (6) "Loss of Hearing" means permanent total deafness in both ears such that it cannot be corrected to any functional degree by an aid or device.

(h) Exclusions

In no case will payment be made for any loss which is contributed to or caused, wholly or partly, directly, or indirectly, by:

- (1) physical or mental illness, diagnosis of, or treatment for the illness;
- (2) any infection, except infection caused by an external, visible wound accidentally sustained;
- (3) any war, or war-like action in time of peace;
- (4) any accident occurring while an Employee or Dependent is serving on full-time active duty in the Armed Forces of any country or international authority at war (any premium paid will be returned on a pro-rated basis for any such period of full-time active duty);
- (5) suicide, attempted suicide or self-inflicted injury while sane or insane;

Art. IV, 4.13(h)(6)

- (6) the use of any drug or medicine unless taken on the advice of and in accordance with the direction of a licensed physician;
- (7) committing or attempting to commit an assault or felony; or
- (8) flight in an aircraft (including boarding or alighting therefrom) while an Employee or Dependent is a pilot, student pilot or member of the crew that is being used for (a) flights requiring special permits or waivers; (b) racing or exhibition stunt flying; (c) skywriting or banner towing, crop dusting or spraying, seeding or fire fighting; (d) exploration, pipe or power line inspection; or (e) hunting.
- (9) flight in an aircraft (including boarding or alighting therefrom) which is (a) being used for testing or experimental purposes except when the Employee is performing duties as an Employee of the Corporation, or (b) operated by or under the direction of a military authority, other than transport type aircraft operated by the Military Airlift Command (MAC) of the United States of America or similar air transport service of any other country.

(i) Notice and Proof of Claims

Written notice of loss must be given to the Carrier within 20 days after the date of such loss. Proof of such loss must be furnished within 90 days after the date of such loss.

The Carrier, at its own expense, will have the right and opportunity to have medical examinations of the insured made by a physician or physicians designated by such Carrier, as often as it may reasonably require during the pendency of claim. Also, the Carrier will have the right to have an autopsy made in the case of death, where it is not forbidden by law.

Art. IV, 4.13(i)

No legal action will be brought to recover prior to the expiration of 60 days after proof of claim has been filed, nor will such action be brought at all unless brought within three years from the expiration of the time within which proof of claim is required.

(j) Payment of Benefits

If, while insured for Personal Accident Insurance, an Employee, Spouse or Dependent Child sustains bodily injuries due to a covered accident, and within one year thereafter will have suffered loss of life or any other loss set forth in subsection (f) as a direct result of such bodily injuries independently of all other causes, the Carrier will pay the benefit specified for such Losses.

For a Dependent Child, in the event of a covered accident that qualifies for two times the full amount of Personal Accident Insurance in force on the date of such accident, only the full amount will be paid upon submission of proof of loss satisfactory to the Carrier. Any remaining amount payable will be paid at the expiration of a period of 90 days following the date of the accident. In the event the Dependent Child dies within 90 days of the covered accident, the maximum amount payable will be the full amount of Personal Accident Insurance in force on the date of such accident.

This insurance is term insurance without cash, loan or paid-up values.

Only one amount, the largest to which the beneficiary is entitled, will be paid for all losses suffered by one covered individual resulting from one accident. Subject to the exclusions set forth in subsection (h), the full amount payable will not exceed \$100,000 for any loss while the insured is flying as a pilot, student pilot, or member of the crew. This limitation does not apply to commercial air travel.

In no event will more than one claim be paid hereunder on account of the death or other loss of any insured person. In the event that coverage for a Dependent Child is elected under this Program by more than one eligible

Art. IV, 4.13(j)

Employee, only the amount of insurance under the schedule elected by the Employee with the earlier birthday in the calendar year will be paid. Such payment will satisfy the Program's liability on account of the Dependent Child's death, dismemberment, or other covered loss.

(1) Designated Beneficiary

- (i) If the Employee should suffer a loss as set forth in subsection (f) above, other than loss of life, the benefit is payable to the Employee.
- (ii) If the Employee designated a beneficiary for Personal Accident Insurance on or after May 1, 1992, the amount of personal coverage is payable to such beneficiary in the event the Employee should die as the direct result of a covered accident while insured.
- (iii) If the Employee has not designated a beneficiary for Personal Accident Insurance on or after May 1, 1992, the amount of personal coverage is payable to the beneficiary last designated for the Employee's Basic Life Insurance in the event the Employee should die as the direct result of a covered accident while insured.
- (iv) If a Spouse or Dependent Child(ren) should sustain a loss as the direct result of a covered accident while covered for Personal Accident Insurance, the benefit will be paid to the Employee.

(2) Loss of Life

At the written request of the Employee, or the beneficiary, Personal Accident Insurance will be paid either in a lump sum or in installments. No installment settlement election will be valid if such settlement would result in installment payments of less than \$10.00

Art. IV, 4.13(j)(2)

each. If Personal Accident Insurance is payable in installments and the Employee or beneficiary dies before all the installments have been paid, the unpaid installments will be commuted at the rate of interest used in computing the amount of installment payments, and paid in one lump sum to the estate of the Employee or beneficiary unless otherwise provided in the election of an installment settlement.

(3) Total and Permanent Disability Benefit

- (i) A monthly benefit will be paid for a covered Employee who becomes totally and permanently disabled, as set forth in subsection (f)(1), as a result of bodily injury due to a covered accident, except as may be limited under subsection (h). No benefit for total and permanent disability will be paid for disability which commences following retirement under the provisions of any pension plan or retirement program to which Delphi has contributed.

The amount of each monthly benefit will be an amount equal to 2% of the full amount of Personal Accident Insurance in force on the date of a covered accident less any other Personal Accident Insurance benefit paid for losses resulting from the same accident as set forth in subsection (f).

The first payment will be payable on the later of:

- (aa) the first day of the month which includes the date the Carrier receives satisfactory proof of the Employee's total and permanent disability; and
- (bb) the first day of the month which includes the date the Employee has been totally and permanently disabled for a period of 12 months following a covered accident.

Art. IV, 4.13(j)(3)(i)

All payments will be made to the Employee. However, if such disability is due to or accompanied by mental incapacity, all or any part of such installments may, at the option of the Carrier, be paid to the beneficiary of record of the Employee or to any other person or institution then, in the judgment of the Carrier, contributing toward or providing for the care or maintenance of the Employee.

If the Employee should die during the period of total and permanent disability and while the monthly installments are being paid, an amount equal to the aggregate of the installments remaining unpaid will be paid in a lump sum as a death benefit to the beneficiary of record of the Employee.

(ii) The monthly benefits will end on the earliest of the following dates:

(aa) the date the Employee is no longer totally and permanently disabled;

(bb) the date the Employee fails to submit any required proof of total and permanent disability to the Carrier as set forth in subsection (i), above; and

(cc) the date the sum of the monthly benefits paid plus any other benefits paid on account of any covered loss which resulted from the same accident equals the full benefit amount;

(dd) the date all of the installments have been paid; and

(ee) the date of the Employee's death

Art. IV, 4.13(j)(3)(iii)

(iii) Effect of Other Benefits

Any payment under this Section will be entirely independent of any payment to which the Employee may be entitled on account of total and permanent disability under a pension plan or retirement program to which Delphi has contributed or under Section 4.08 or on account of disability under the Supplemental Extended Disability Benefits or Long-Term Disability coverage offered in conjunction with the Corporation's Options! Program.

(4) No Designated Beneficiary

The Employee's insurance certificate will set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the time of death of the Employee.

(5) Non-Alienation

Except as expressly provided for in subsection (m) herein and in Article VI, Section 6.04, no Personal Accident Insurance benefit payable hereunder will be subject in any manner to assignment, pledge, attachment or encumbrance of any kind, nor subject to the debts or liability of any eligible beneficiary except as required by applicable law.

(k) Cessation of Insurance

Personal Accident Insurance will cease on the earliest of the following:

- (1) The date the Employee ceases to be insured for Basic Life Insurance provided in accordance with Section 4.02 except that for an Employee whose service date is on or after January 1, 1993 who retires with benefits (other than deferred vested) under the Delphi Retirement

Art. IV, 4.13(k)(1)

Program for Salaried Employees, Personal Accident Insurance will not cease if the employee has 10 or more Years of Participation as of the date of retirement.

- (2) If the Employee fails to make a required contribution for Personal Accident Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due.
- (3) The day immediately preceding the first monthly installment of total and permanent disability benefits with regard to Personal Accident Insurance on the Employee.
- (4) On the 30th day immediately following the date of the event which causes an Applicant Owner to no longer qualify as an Applicant Owner, as set forth in subsection (n) below.
- (5) The day immediately preceding the date a Spouse or Dependent Child ceases to be an eligible Dependent as defined in Article II, Section 2.04 with respect to Personal Accident Insurance coverage on a Spouse or a Dependent Child.
- (6) The date the Employee's personal coverage ceases with regard to Personal Accident Insurance coverage on a Spouse or a Dependent Child. However, if the Employee's personal coverage ceases (i) as set forth in (k)(3) above, the Employee may continue Personal Accident Insurance coverage on account of the Employee's Dependents until the full amount of the Employee's personal coverage has been paid, or (ii) as set forth in (k)(4) above, because an Applicant Owner fails to qualify as an eligible Applicant Owner, the Employee may continue Personal Accident Insurance coverage on account of the Employee's Dependents (other than coverage on the Employee's spouse if such spouse is the Applicant Owner) until the 60th day

Art. IV, 4.13(k)(6)

following the date the Applicant Owner failed to qualify as an Applicant Owner, provided the Employee makes the required contributions.

(7) The date of discontinuance of Personal Accident Insurance as a coverage available under the Program.

(l) Conversion Privilege

No conversion privilege is applicable to Personal Accident Insurance.

(m) Assignment

The Employee may transfer by absolute and irrevocable assignment, as a gift, all the Employee's rights, title, interest and incidents of ownership, both present and future, in personal coverage under Personal Accident Insurance. No assignment will be binding upon the insurance company unless it is in a form acceptable to the insurance company and until it has been accepted and filed with the insurance company. The insurance company assumes no obligation as to the validity or sufficiency of any assignment. An assignment made pursuant to the above will not destroy the right to the death benefits of a beneficiary (or beneficiaries) last designated prior to the assignment, if the assignee does not revoke the interest of such beneficiary (or beneficiaries), and if such beneficiary (or beneficiaries) survives the Employee. Only the Employee may own Personal Accident Insurance on a Spouse or Dependent Child and no assignment of such coverage may be made.

(n) Applicant Owner (Applicable to Employees whose service date is prior to January 1, 2001)

Prior to January 1, 2001, Personal Accident Insurance on the Employee, only, could be applied for, paid for, and owned by a person other than the Employee, provided such person was an adult who had the relationship to the Employee of a spouse, child, son-in-law, daughter-in-law, parent, brother, brother-in-law, sister, sister-in-law, grandchild, or grandparent.

Art. IV, 4.13(n)

If the Personal Accident Insurance is owned by such a person (hereinafter called Applicant Owner), all title and incidents of ownership in the Personal Accident Insurance on the Employee are vested in the Applicant Owner who alone may exercise every right and privilege with respect to such Insurance which otherwise could have been exercised by the Employee.

If the Personal Accident Insurance owned by an Applicant Owner ceases because of an event which causes the Applicant Owner to no longer qualify as an Applicant Owner, the Employee will be automatically excluded from eligibility for Personal Accident Insurance on the Employee under subsection (a) above, on the date of cessation of such Insurance. Such Employee may become eligible for other Personal Accident Insurance on the first day following the date of cessation of such insurance provided the Employee is otherwise eligible as described in subsection (a) above. Such first day is the Employee's eligibility date. The provisions of this Section 4.13 except (n) will generally apply to an Employee insured under the modified Personal Accident Insurance.

Art. V

ARTICLE V

CONTINUATION OF COVERAGES,
CORPORATION AND EMPLOYEE CONTRIBUTIONS,
AND CESSATION OF COVERAGES

5.01 – Employees in Active Service

The Corporation will pay the full monthly charge for coverage provided under Article IV (other than Optional Life, Dependent Life, Personal Accident Insurance, Supplemental Extended Disability and Long-Term Disability Benefits) for an Employee with respect to any month in which the Employee has earnings from the Corporation, except as may otherwise be provided under Article III, Section 3.03. The Employee will contribute the full cost of Optional Life, Dependent Life, Personal Accident Insurance, Supplemental Extended Disability and Long-Term Disability Benefits.

5.02 – Employees on a Leave of Absence Other Than for Disability (Except Flexible Service Employees)

Coverages under Article IV (other than Optional Life, Dependent Life and Personal Accident Insurance) may be continued for the following periods after the month in which the Employee last worked prior to a non-disability leave of absence. Such coverages may be continued after the month in which the Corporation last provides coverage upon payment of any required contributions by the Employee, except that no contributions will be required after the Employee attains age 65. Optional Life, Dependent Life and Personal Accident Insurance may be continued for any month the Employee is insured for Basic Life Insurance under the Program. In any event, the Employee will contribute the full cost of Optional Life, Dependent Life and Personal Accident Insurance continued.

- (a) For the first month after the month in which the Employee last worked prior to a non-disability leave of absence, all coverages provided under Article IV will be continued and the Corporation will pay the full monthly charge for such coverages.

Art. V, 5.02(b)

- (b) In the event of a leave of absence other than for disability, Basic Life Insurance may be continued for up to 11 months (24 months if the Employee is placed on a special leave of absence for dependent care) following the last month the Corporation contributed in accordance with subsection (a) of this Section. If the Employee is placed on an approved educational leave of absence, Basic Life Insurance may be continued for the duration of the approved educational leave of absence. Employees will contribute 50¢ per month per \$1,000 of coverage continued for such periods.

At the end of any period set forth in this Section 5.02, and except as otherwise provided in this Article, or at any time the Employee fails to make the required contributions for Basic Life Insurance during such period, such insurance is canceled and the Employee is entitled to the conversion privilege described in Article VI, Section 6.06.

(c) Special Provisions

- (1) Employee Placed on Leave of Absence Other Than for Disability Because of A Clinically Anticipated Disability

If an Employee is granted a leave of absence other than for disability, because of a clinically anticipated disability based on the natural course of the Employee's diagnosed condition, Sickness and Accident, Short-Term Disability and Long-Term Disability Benefits coverage which may have ceased after the period described in subsection (a) above, during the period of such leave will be reinstated, provided the Employee is insured for Basic Life Insurance, as of the date the Employee presents medical certification from the Employee's personal physician, satisfactory to the Carrier, that the Employee is totally disabled and will remain in force on the same basis as set forth in Section 5.03 of this Article. Commencing with the month in which Sickness and Accident Benefit or Short-Term Disability Benefit coverage is reinstated, the Corporation will pay the full monthly charge for such coverage on the same basis as set forth in Section 5.03(a) of this Article for an Employee on an approved disability leave of absence..

Art. V, 5.02(c)(2)

(2) Employee on Approved Union Leave of Absence

(i) Local Union

An Employee who is on an approved leave of absence to work for the employee's local union (not a Credit Union) may continue Basic Life Insurance coverage, for the duration of such leave, by making a monthly contribution of \$.60 per \$1,000 of Basic Life insurance coverage plus \$5.00 for Sickness and Accident, Short-Term Disability and Extended Disability Benefit coverage.

If an Employee becomes disabled while on such leave, the Employee must continue to pay the required contribution set forth above while receiving Sickness and Accident, Short-Term Disability or Extended Disability benefits, and after receiving the maximum benefits payable, must contribute at the rate of \$.60 per month per \$1,000 of Basic Life insurance coverage

(ii) International Union

An Employee who is on an approved leave of absence to work for the International Union may continue Basic Life Insurance coverage, for the duration of such leave, by making a monthly contribution of \$.60 per \$1,000 of Basic Life insurance coverage. Such an Employee may not continue Sickness and Accident, Short-Term Disability, Extended Disability or Long-Term Disability Benefits coverage, as applicable.

Art. V, 5.02(c)(2)(iii)

(iii) After Age 65

If an Employee attains age 65 while on an approved union leave of absence as set forth in (i) and (ii) above, the Employee must contribute \$.30 per \$1,000 for each month of the Basic Life Insurance coverage in effect on the Employee's 65th birthday while the Employee remains on such leave of absence. If such Employee is on an approved leave of absence to work for the Employee's local union, the Employee must also contribute \$5.00 each month for Sickness and Accident, Short-Term Disability and Extended Disability Benefit coverage.

5.03 – Disabled Employees (Except Flexible Service Employees) Whose Service Date is Prior to January 1, 2001

Coverages may be continued as set forth in subsections (a) or (b) below. The Corporation will pay the full monthly charge for such coverages (other than Optional Life, Dependent Life and Personal Accident Insurance) continued. Optional Life, Dependent Life and Personal Accident Insurance may be continued for any month the Employee is insured for Basic Life Insurance under the Program. In any event, the Employee will contribute the full cost of Optional Life, Dependent Life and Personal Accident Insurance continued.

(a) For any period during which an Employee

- (1) will be entitled to receive Sickness and Accident Benefits or salary continuation payments under the Corporation's Salary Continuation Plan, or
- (2) is totally and continuously disabled while covered for Sickness and Accident Benefits and such Employee remains on an approved disability leave of absence but not to exceed the period equal to the Employee's Years of Participation as of the first day of disability, all

Art. V, 5.03(a)(2)

the Employee's coverages under Article IV will remain in force, except that if an Employee's disability leave is canceled because the period of such leave equaled the Employee's Length of Service, all the Employee's coverages under Article IV will continue to remain in force in any month in which the Employee continues to receive Extended Disability Benefits, other than benefits payable under the Supplemental Extended Disability Benefits option available under the Options! Program, subsequent to such cancellation.

- (b) If, within three working days after an Employee's disability leave of absence is canceled because the Employee's disability has ceased, the Employee is again disabled so as to satisfy the disability requirements for Sickness and Accident Benefits and is thereby unable to return to work, all the Employee's coverages under Article IV will remain in force while the Employee is so disabled, on the same basis as if the Employee had become disabled while Sickness and Accident coverage was in force, but in no case will the duration of Sickness and Accident Benefits exceed the maximum period for which benefits would have been payable at the onset of the initial disability as set forth under Article IV, Section 4.07(b)(1).
- (c) If at the expiration of the applicable period specified in subsections (a) or (b) above, an Employee is receiving payments because of employment with the Corporation under any Workers Compensation Law or Act or any Occupational Disease Law or Act, only such Employee's Basic Life Insurance will be continued for the period the Employee continues to receive such payments. Any Optional Life, Dependent Life and Personal Accident Insurance may be continued during such period provided the Employee makes required contributions.
- (d) If at the expiration of the applicable period specified in subsections (a) (b), or (c) above the Employee continues to be disabled, the following provisions apply:

Art. V, 5.03(d)(1)

(1) Employees With Less Than Ten Years of Participation

An Employee may continue during such Employee's period of continuing total disability only Basic Life, Optional Life, Dependent Life and Personal Accident Insurance which was in force on the last day of the month in which disability commenced for a minimum period of one year from the date of disability, or, if longer, for a period not to exceed the Employee's Years of Participation as of the first day of disability, but not after age 65. The Employee will contribute 50¢ per month per \$1,000 of Basic Life Insurance (other than Optional Life, Dependent Life and Personal Accident Insurance) continued. The Employee will contribute the full cost of Optional Life, Dependent Life and Personal Accident Insurance continued.

(2) Employees With Ten or More Years of Participation

An Employee may continue during such Employee's period of continuing total disability up to age 65 only Basic Life, Optional Life, Dependent Life and Personal Accident Insurance which was in force on the last day of the month in which disability commenced. The Employee will contribute 50¢ per month per \$1,000 of Basic Life Insurance for such insurance (other than Optional Life, Dependent Life and Personal Accident Insurance) continued, except that while the Employee is adjudged totally and permanently disabled no further contributions for such insurance (other than Optional Life, Dependent Life and Personal Accident Insurance) will be required. The Employee will contribute the full cost of Optional Life, Dependent Life and Personal Accident Insurance continued.

Continuing Basic Life Insurance on and after age 65 or non-disability retirement will be determined as set forth in Article IV, Section 4.02(b). Sickness and Accident coverage will be canceled upon retirement or upon termination of an approved disability leave of absence, if earlier.

Art. V, 5.03(d)(2)

Years of Participation in such cases include the period of total and permanent disability during which contributions were not required. On and after age 65 Optional and Dependent Life Insurance will be determined as set forth in Article IV, Section 4.11 and 4.12, respectively.

5.04 – Disabled Employees (Except Flexible Service Employees) Whose Service Date is on or after January 1, 2001

Coverages may be continued as set forth in subsections (a), (b), or (c) below. The Corporation will pay the full monthly charge for such coverages (other than Optional Life, Dependent Life, Personal Accident Insurance and Long-Term Disability Benefits) continued. Optional Life, Dependent Life and Personal Accident Insurance may be continued for any month the Employee is insured for Basic Life Insurance under the Program. In any event, the Employee will contribute the full cost of Optional Life, Dependent Life and Personal Accident Insurance continued. In addition, the Employee will contribute the full cost of Long-Term Disability coverage while receiving salary continuation payments under the Corporation's Salary Continuation Plan.

- (a) For any period during which an Employee
 - (1) will be entitled to receive Short-Term Disability Benefits or salary continuation payments under the Corporation's Salary Continuation Plan, or
 - (2) is totally and continuously disabled while covered for Short-Term Disability Benefits and such Employee remains on an approved disability leave of absence,

Basic Life Insurance will be continued for a maximum of 29 months following the month in which the Employee last worked. If the Employee's disability leave is canceled because the period of disability exceeds the Employee's Length of Service, Basic Life Insurance will also be canceled at the end of the month in which the Employee's approved disability leave ends.

Art. V, 5.04(b)

- (b) If, within three working days after an Employee's disability leave of absence is canceled because the Employee's disability has ceased, the Employee is again disabled so as to satisfy the disability requirements for Short-Term Disability Benefits and is thereby unable to return to work, all the Employee's coverages under Article IV will remain in force while the Employee is so disabled, on the same basis as if the Employee had become disabled while Short-Term Disability Benefits were in force, but in no case will Basic Life Insurance be continued beyond the period equal to 29 months following the month in which the Employee last worked.
- (c) If at the expiration of the applicable period specified in subsection (a) or (b) above, an Employee is receiving payments because of employment with the Corporation under any Workers Compensation Law or Act or any Occupational Disease Law or Act, only such Employee's Basic Life Insurance will be continued for the period the Employee continues to receive such payments. Any Optional Life, Dependent Life and Personal Accident Insurance may be continued during such period provided the Employee makes required contributions.

5.05 – Special Provisions Applicable to Employees Hired Prior to January 1, 1993 Who Retire or Separate At or After Age 55 (Except Flexible Service Employees Unless Specified in Section 5.07(b)(5) of this Article)

(a) Insured Employee Prior to Age 60

An insured Employee who retires prior to age 60 under the total and permanent disability provisions of the Delphi Retirement Program for Salaried Employees or who is eligible for a retirement benefit under the provisions of Part A of the Delphi Retirement Program for Salaried Employees (1) at or after age 55 but prior to age 60 with combined years of age and credited service of 85 or more or (2) at any age with 30 or more years of credited service or (3) prior to age 60 as may be made available under certain Window Retirement Programs, and who was insured to the date such Employee retires will have only Basic Life Insurance continued to age 65 without any premium contribution. An insured Employee who retires

Art. V, 5.05(a)

voluntarily at or after age 55 but prior to age 60 with combined years of age and credited service totaling less than 85 may continue the Basic Life Insurance to age 65 by making the required contribution of 50¢ per month per \$1,000 of Basic Life Insurance. The Basic Life Insurance continued as set forth above will be subject to the reduction formula set forth in Article IV, Section 4.02(b).

(b) Insured Employee Between Ages 60 and 65

An insured Employee who retires at or after age 60 with ten or more years of credited service and is eligible for a retirement benefit under the provisions of Part A of the Delphi Retirement Program for Salaried Employees and who was insured to the date the Employee retires will have only Basic Life Insurance subject to reduction continued to age 65 without any premium contribution.

An insured Employee who ceases active work at or after age 60 and was insured from age 60 to the date the Employee ceases active work or who has ceased active work prior to age 60 but is insured at age 60, and who in either case has five or more Years of Participation at the end of the month in which the Employee attains age 60 may continue only Basic Life Insurance to age 65 by making the required contributions at the rate of 50¢ per month per \$1,000 of Basic Life Insurance, except that such contributions will not be required of any such retired Employee eligible for retirement benefits under Part A of the Delphi Retirement Program for Salaried Employees.

(c) Uninsured Employee Retiring With Benefits

(1) When Retiring From a Leave of Absence

An uninsured Employee retiring with benefits under Part A, (other than total and permanent disability or deferred vested) of the Delphi

Art. V, 5.05(c)(1)

Retirement Program for Salaried Employees without returning to work from a leave of absence who thereby is unable to continue Basic Life Insurance in accordance with subsections (a) or (b) above will become insured, if such Employee is then under age 65 on the first day of the month following the month coincident with such retirement for the same amount the Employee otherwise could have continued at the time of the Employee's retirement, subject to reduction in accordance with Article IV, Section 4.02(b). Contributions will not be required of any such retired Employee, except as follows.

If the Employee retired voluntarily as early as age 55 but prior to age 60 with combined years of age and service, determined in accordance with the provisions of the Delphi Retirement Program for Salaried Employees, totaling less than 85, Basic Life Insurance may be reinstated and continued as set forth above only if the required contributions are made. The contributions are 50¢ per month per \$1,000 of Basic Life Insurance.

(2) When Retiring From a Successor Employer Under the Terms of a Sales or Joint Venture Agreement

An uninsured Employee, as defined in Section 2.05(a)(9) retiring from a successor employer with benefits under Part A, (other than deferred vested) of the Delphi Retirement Program for Salaried Employees, who thereby is unable to continue Basic Life Insurance in accordance with subsections (a) or (b) above, may have Basic Life, Optional Life, Dependent Life and Personal Accident Insurance reinstated if specifically provided for under the terms of a Corporation approved sales or joint venture agreement. Such uninsured Employee will become insured on the first day of the month following the month coincident with such retirement. Amounts of Basic Life Insurance are subject to reduction in accordance with Article IV, Section 4.02 (b) of the Program.

Art. V, 5.05(c)(2)

Contribution for Basic Life Insurance will not be required of any such retired Employee except as follows. If the Employee retired voluntarily as early as age 55 but prior to age 60 with combined years of age and service, determined in accordance with the provisions of the Delphi Retirement Program for Salaried Employees, totaling less than 85, contributions are to be made equal to \$.50 per month per \$1,000 of Basic Life Insurance.

Contributions for Optional Life, Dependent Life and Personal Accident Insurance are to be made in accordance with rates then in effect.

(d) Conversion Privilege

- (1) If the Employee does not continue Basic Life Insurance in the manner set forth in (a) or (b) above, the Employee may exercise the conversion privilege described in Article VI, Section 6.06.
- (2) An Employee separated at or after age 55 who is not eligible to continue Basic Life Insurance under the provisions of subsections (a) and (b) above will have all coverages discontinued and the Employee will be entitled to the conversion privilege as described in Article VI, Section 6.06; except that if such separation is due to total disability the Employee may be eligible to continue the coverages as described in Section 5.03 of this Article.

5.06 – Special Separation Provisions

Employees Who Separate Under the Separation Allowance Plan (Applicable to Employees whose service date is on or after January 1, 1993)

(a) Employees Eligible to Retire

An Employee who separates under the provisions of the Separation Allowance Plan who is eligible for a retirement benefit under Part A of the

Art. V, 5.06(a)

Delphi Retirement Program for Salaried Employees at the time of separation, will have Basic Life Insurance discontinued during retirement in accordance with the provisions of Section 4.02(a)(2). Optional Life, Dependent Life and Personal Accident Insurance may be continued only if required contributions are made. Contributions for Optional Life, Dependent Life and Personal Accident Insurance are to be made in accordance with rates then in effect.

(b) Employees Not Eligible to Retire

An Employee who separates under the provisions of the Separation Allowance Plan, who is not eligible for a retirement benefit under Part A of the Delphi Retirement Program for Salaried Employees at the time of separation, will have Basic Life, Sickness and Accident and Extended Disability Benefits coverage continued until the end of the month in which separation of employment occurs. Thereafter, only Basic Life Insurance may be continued while the Employee is entitled to salary continuation payments, provided the Employee has not secured new employment. The Corporation will pay the full monthly charge for such continuance of Basic Life Insurance. Optional Life, Dependent Life and Personal Accident Insurance may not be continued under the Plan.

5.07 – Flexible Service Employees

Coverage may be continued as set forth in subsections (a), (b), (c), (d), and (e), below. Optional Life, Dependent Life and Personal Accident Insurance may be continued for any month the Flexible Service Employee is insured for Basic Life Insurance. Such coverages may also be continued for the periods specified in subsection (b) below by a Flexible Service Employee whose service date is prior to January 1, 1993 whose Basic Life Insurance is discontinued upon retirement. In any event, the Flexible Service Employee will contribute the full cost of Optional Life, Dependent Life and Personal Accident Insurance.

Art. V, 5.07(a)

(a) Employees on Approved Disability Leave of Absence

- (1) For any period during which a Flexible Service Employee is totally and continuously disabled and remains on an approved disability leave of absence, Basic Life Insurance will be continued for 12 months following the month in which such Employee last worked, without any premium contribution. Sickness and Accident Benefits in force will be continued without any premium contribution while the Employee remains on an approved disability leave of absence but not beyond the day coincident with the end of the 12th month following the Employee's last day worked. Short-Term Disability Benefits in force will be continued without any premium contribution while the Employee remains on an approved disability leave of absence but not beyond the day coincident with the end of the 6th month following the Employee's last day worked.
- (2) If a Flexible Service Employee's disability leave of absence is canceled prior to the expiration of the continuance periods set forth in (a) above, Sickness and Accident Benefits or Short-Term Disability Benefits will cease on the date such leave of absence is canceled. Basic Life Insurance will be continued for the balance of the 12-month period set forth in (a) above provided the Flexible Service Employee makes the required contribution of 50¢ per month per \$1,000 of Basic Life Insurance.

(b) Employees Whose Service Date is prior to January 1, 2001 and Who Retire

- (1) A Flexible Service Employee whose service date is prior to January 1, 1993, who retires from active service, will have Continuing Life Insurance continued until the end of the month following the month in which such Employee last worked without any premium contribution. Thereafter, the Flexible Service Employee may continue Continuing Life Insurance for the next 11 months by making the required contribution of 50¢ per month per \$1,000 of such Insurance.

Art. V. 5.07(b)(2)

- (2) A Flexible Service Employee whose service date is on or after January 1, 1993, who retires from active service and has Basic Life Insurance discontinued, may continue Optional Life, Dependent Life and Personal Accident Insurance for up to 12 months following the month the Employee last worked, provided the Employee makes the required contributions and remains otherwise eligible. Optional Life, Dependent Life and Personal Accident Insurance will cease at the end of the 12-month period described herein if such coverage does not cease earlier due to one of the events set forth in Article IV, Sections 4.11(g), 4.12(h) and 4.13(k), respectively.
- (3) A Flexible Service Employee whose service date is prior to January 1, 1993, who retires from a disability leave of absence will have Basic Life Insurance continued through the end of the month immediately preceding the month in which such Employee retires from a disability leave without any premium contribution. Thereafter, the Flexible Service Employee may continue Continuing Life Insurance for the balance, if any, of the 12-month period commencing with the month following the month in which the Employee last worked, by making the required contribution of 50¢ per month per \$1,000 of such insurance.
- (4) A Flexible Service Employee whose service date is on or after January 1, 1993, who retires from a disability leave of absence and has Basic Life insurance discontinued, may continue Optional Life, Dependent Life and Personal Accident Insurance for the balance, if any, of the 12-month period commencing with the month following the month in which the Employee last worked, provided the Employee makes the required contributions and remains otherwise eligible. Optional Life, Dependent Life and Personal Accident Insurance will cease at the end of the 12- month period described herein if such coverage does not cease earlier due to one of the events set forth in Article IV, Sections 4.11(g), 4.12(h) and 4.13(k), respectively.

Art. V, 5.07(b)(5)

- (5) When a Flexible Service Employee who was eligible to retire with benefits under the Delphi Retirement Program for Salaried Employees on the date such Employee transferred from regular full-time salaried employment to Flexible Service employment retires, the coverage for which the Employee would have been eligible on the date the Employee transferred from regular full-time salaried employment may be continued as set forth in Section 5.05 of this Article, provided such Flexible Service Employee was hired as a regular full-time salaried Employee prior to January 1, 1993.
 - (6) A Flexible Service Employee whose service date is on or after January 1, 1993, who subsequently retires from regular full-time salaried employment and has Basic Life Insurance discontinued, may continue Optional Life, Dependent Life and Personal Accident Insurance as set forth in Section 5.05 of this Article V.
- (c) Employees Separated for Reasons Other Than Quit or Discharge
- (1) A Flexible Service Employee whose service date is prior to January 1, 2001 who is separated for reasons other than quit or discharge will have Basic Life Insurance and Sickness and Accident Benefits or Short-Term Disability Benefits continued until the end of the month following the month in which the Employee last worked without any premium contribution. Thereafter, the Flexible Service Employee whose service date is prior to January 1, 2001 may continue Basic Life Insurance for the next 11 months or on a time-for-time basis, whichever is less by making the required contribution of 50¢ per month per \$1,000 of Basic Life Insurance.
 - (2) A Flexible Service Employee whose service date is on or after January 1, 2001 who is separated for reasons other than quit or discharge will have Basic Life Insurance, Sickness and Accident and Short-Term Disability benefits continued until the end of the month in which the Employee last worked.

Art. V, 5.07(d)

(d) Employees on Military Leave of Absence

A Flexible Service Employee who is placed on a military leave of absence, will have Basic Life and Sickness and Accident Benefits or Short-Term Disability Benefits continued for the balance of the month in which the Employee last worked and for the first full calendar month thereafter without any premium contribution. Thereafter, the Flexible Service Employee may continue Basic Life insurance for the next 11 months by making the required contribution of 50¢ per \$1,000 of Basic Life Insurance.

(e) Employees on Approved Leave of Absence Other Than for Disability

(1) For the first month after the month in which the Employee last worked prior to leave of absence, Basic Life and Sickness and Accident coverage or Short-Term Disability Benefits will be continued and the Corporation will pay the full monthly charge for such coverages.

(2) Following the period above, Basic Life Insurance may be continued for up to 11 months (23 months if the Employee is placed on a special leave of absence for dependent care). If the Employee is placed on an approved educational leave of absence, Basic Life Insurance may be continued for the duration of the approved educational leave of absence. Employees will contribute \$.50 per month per \$1,000 of coverage continued for such periods.

At the end of any period set forth in this Section 5.07, or at any time the Flexible Service Employee fails to make the required contribution for Basic Life Insurance during such period, Basic Life, Optional Life, Dependent Life and Personal Accident Insurance is canceled. The Flexible Service Employee is then entitled to the conversion privilege described in Article VI, Section 6.06, applicable to Basic Life Insurance and the conversion privilege described in Article IV, Section 4.11(h), applicable to Optional Life Insurance. The Employee's eligible dependent(s) may also exercise the conversion privilege described in Article IV, Section 4.12(i), applicable to Dependent Life Insurance.

Art. V, 5.07

A Flexible Service Employee who has continued Basic Life Insurance, will have Basic Life Insurance reduced as provided in Article IV, Section 4.02(b). In any event, during any period a Flexible Service Employee is eligible to continue insurance in accordance with the provisions above, the Employee will not be required to contribute for such insurance if the Employee has attained age 65.

5.08 – Cessation of Coverages

- (a) If an Employee quits or is discharged, all coverages will cease as of the day the Employee quits or is discharged or on the date Length of Service is broken, if later. However, if an Employee is separated for reasons other than quit or discharge, all coverages will cease as of the last day of the month in which separation of employment occurs or on the date Length of Service is broken, if later, provided the Employee makes all required contributions.
- (b) If an Employee, including a Flexible Service Employee, who was hired, or whose adjusted service date is on or after January 1, 1993, retires, all coverages under Article IV (except for Optional Life, Dependent Life and Personal Accident Insurance) will cease on the day immediately preceding the Employee's retirement effective date.
- (c) If the Employee fails to make the required contributions for coverages under Article IV, such coverages will cease on the last day of the last month for which contribution was made by either the Employee or the Corporation.
- (d) All coverages will cease upon the discontinuance of the Program, or, if the provisions thereunder for any one of the forms of coverage in Article IV are discontinued, that form of coverage will be discontinued.
- (e) If Sickness and Accident or Short-Term Disability Benefits coverage does not cease in accordance with subsection (a) herein, such coverage will cease on the later of the date of:

Art. V, 5.08(e)(1)

- (1) the expiration of the maximum period for which benefits are payable under this coverage on account of the Employee's disability, and
- (2) the earlier of the expiration of the Employee's approved disability leave of absence, or retirement.

Except as set forth in Section 5.02(c)(1) of this Article, Sickness and Accident or Short-Term Disability Benefits coverage may be reinstated only if and when the Employee returns to active work for the Corporation. However, in the event Sickness and Accident or Short-Term Disability Benefits cease while an Employee's personal physician continues to certify to total disability and the Employee remains on approved disability leave of absence, Sickness and Accident or Short-Term Disability Benefits coverage will remain in force but in no case would the duration of benefits exceed the maximum period for which benefits would have been payable at the onset of the initial disability as set forth under Article IV, Section 4.07(b)(1) and 4.08(b), respectively.

Art. VI

ARTICLE VI

GENERAL PROVISIONS

6.01 – Amount of Coverage Depends on Monthly or Annual Base Salary

- (a) For an Employee whose service date is prior to January 1, 2001, the amount of Basic Life Insurance is determined by the Annual Base Salary as defined in Article II, Section 2.02, on the date the Employee becomes covered under the Program.
- (b) Amounts of Sickness and Accident Benefits, Short-Term Disability Benefits, Extended Disability Benefits, Supplemental Extended Disability Benefits and Long-Term Disability coverages are determined by the Monthly Base Salary as defined in Article II, Section 2.07, on the date the Employee becomes covered under the Program.
- (c) An Employee whose service date is prior to January 1, 2001 who retired under the Delphi Retirement Program for Salaried Employees, other than on disability retirement, who returns to work while still covered, will have the amount of such Employee's coverages determined by the Employee's Annual or Monthly Base Salary, as applicable, on the date the Employee returns to work.

6.02 – Amount of Coverage Subsequent to Becoming Covered Under the Program

- (a) Subsequent to the date an Employee becomes covered under the Program the amount of
 - (1) Basic Life Insurance₁ for which an Employee whose service date is prior to January 1, 2001 is covered₁ will be based on the Employee's current Annual Base Salary. The amounts of Basic Life Insurance for an Employee eligible for the Options! Program will be based on the Employee's Annual Base Salary as set forth in Article II, Section 2.02. The amounts of Sickness and Accident and Extended Disability

Art. VI, 6.02(a)(1)

Benefits coverages for which such Employee is covered will be based on the Employee's current Monthly Base Salary. The amount of Supplemental Extended Disability Benefits will be based on the Employee's Monthly Base Salary as set forth in Article II, Section 2.07.

- (2) Basic Life Insurance, for which an Employee whose service date is on or after January 1, 2001 is covered, will be based on the schedule as set forth in Section 4.01. The amount of Short-Term Disability will be based on the Employee's current Monthly Base Salary. The amount of Long-Term Disability for an Employee eligible for the Options! Program will be based on the Employee's Monthly Base Salary as set forth in Article II, Section 2.07.

In any event, if the Employee is not Actively at Work on the date when the amount of the Employee's coverage would change, the Employee will be covered for such changed amount when the Employee returns to active work.

- (b) Changes in amounts of Basic Life Insurance, Sickness and Accident, Short-Term Disability and Extended Disability Benefits coverages due to transfers from hourly to salaried payrolls will become effective on the date of transfer, provided the Employee is then Actively at Work. If the Employee is not Actively at Work on such date, the change will be effective on the date of the Employee's return to work.
- (c) An Employee who returns from an occupational disability absence and because of a continuing physical limitation connected with such occupational disability is placed on a job paying a lower Annual or Monthly Base Salary, as applicable, than the job such Employee held immediately prior to the Employee's disability absence, will have amounts of Basic Life Insurance for an Employee whose service date is prior to January 1, 2001, Sickness and

Art. VI, 6.02(c)

Accident, Short-Term Disability, Extended Disability and Long-Term Disability Benefits coverages determined in accordance with the higher Annual or Monthly Base Salary, as applicable, of the Employee's former job, for as long as the Employee receives payments under any applicable Workers Compensation Law in reimbursement for the loss in pay occasioned by such physical limitation.

6.03 – Benefits for Part-Time Employees

For a part-time Employee the benefit amounts set forth in Article IV, Sections 4.01 and 4.06 will be payable in the same percentage relationship as the regularly scheduled hours in a week for such Employee's job is to the number of hours in the standard work week.

6.04 – Recovery of Benefit Overpayments and Other Debts

For the purpose of this Section, any benefits paid to an Employee under any General Motors Employee Benefit Plan will be deemed to have been paid under the applicable Delphi Employee benefit plan and will be subject to recovery provided such benefits were paid prior to the date Delphi ceased to be a subsidiary of General Motors as set forth below.

- (a) If it is determined that any benefit(s) paid to an Employee under Article IV should not have been paid or should have been paid in a lesser amount, written notice thereof will be given to such Employee and the Employee will repay the amount of the overpayment to the Carrier. In the event the Employee fails to repay this amount promptly, the recovery of this overpayment will be recovered as set forth herein. In the event the Employee fails to repay any other debt to the Corporation after being given written notice thereof, the recovery of such debt will also be recovered as set forth herein.
- (b) If the Employee fails to repay an overpayment or debt promptly after having been given written notice to do so, the Carrier will arrange to recover the

Art. VI, 6.04(b)

amount of the overpayment or debt by making an appropriate deduction or deductions from any future benefit payment or payments payable to the Employee under Article IV, or may request the Corporation to make or arrange for an appropriate deduction or deductions from any monies then payable, or which may become payable, by the Corporation, or on the Corporation's behalf, or otherwise, to the Employee in the form of wages or benefits. The Corporation will have the right to make or arrange to have made deductions for recovering such overpayments or debts from any such present or future wages or benefits which are or become payable to such Employee.

- (c) At the direction of the Corporation, the Carrier will make an appropriate deduction or deductions from any future benefit payment or payments payable to the Employee under Article IV for the purpose of recovering overpayments made to an Employee under any Delphi employee benefit plan.

Amounts so deducted will be remitted by the Carrier to the applicable benefit plan. The Carrier, by such remittance, will be relieved of any further liability with respect to such payments.

- (d) If the benefit overpayment is caused by a retroactive award under any state Workers Compensation Law or Act or any Occupational Disease Law or Act and applicable state law allows coordination of benefits resulting in a reduction of such award payable, the Carrier in its sole discretion may waive part or all of the overpayment in consideration of such benefit coordination.

6.05 – Recovery of Disability Benefit Advances

If the Corporation makes advances to an Employee on account of a claim for disability benefits under the Program and subsequently it is determined that no such benefits are payable or a smaller amount is payable than was anticipated, the Employee will be obligated to repay in cash the amount of such advances or overpayment, as the case may

Art. VI, 6.05

be, upon notice of the amount to be repaid, and, if such repayment is not made within 60 days after request is made by the Corporation for repayment thereof, the amount may be deducted by the Corporation from any wages or other benefits thereafter payable to the Employee.

6.06 – Conversion Privilege

- (a) Upon written application made to the Carrier within 31 days after the date Basic Life Insurance ceases in accordance with Article V, Sections 5.06(b), 5.08(a) and (b), the Employee will be entitled to have issued to such Employee by the Carrier, without evidence of insurability, an individual policy of life insurance only, without disability or accidental means death benefits. Such individual policy will be upon one of the forms then customarily issued by the Carrier, except term insurance, and the premium for such individual policy will be the premium applicable to the class of risk to which the Employee belongs and to the form and amount of the individual policy at the Employee's attained age at the date of issue of such individual policy. The amount of such individual policy will be equal to (or at the option of the Employee less than) the amount of the Employee's Basic Life Insurance under the Program on the date specified above. The amount of the policy may further be increased by the amount of Optional Life Insurance that may be converted by the Employee in accordance with Section 4.11(h) of Article IV.
- (b) Any individual policy of life insurance so issued will become effective at the end of the 31-day period during which application for such individual policy may be made. If, however, the Employee dies during such 31-day period, the Carrier will pay to the Employee's beneficiary of record, whether or not the Employee has made application for such individual policy, the maximum amount of life insurance for which an individual policy could have been issued.

Art. VI, 6.06(b)

No such payments will be made under this subsection (b) on account of an Employee who becomes insured under any group policy issued to the Corporation or to any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of Delphi or the same or similar insurance within such 31-day period.

6.07 – Options! Program

Notwithstanding that Employees eligible to make Options! Program elections will also be afforded concurrent opportunities to make elections for Optional Life, Dependent Life, and Personal Accident Insurance, as well as Supplemental Extended Disability Benefits and Long-Term Disability Benefits, such coverages are provided under this Life and Disability Benefits Program for Salaried Employees and not under the Options! Program. Except as expressly provided for hereunder, the coverages provided under this Program will be subject to the terms and conditions of this Program and not of the Options! Program.

An Employee's elections for Basic Life, Optional Life, Dependent Life and Personal Accident Insurance, Supplemental Extended Disability Benefits and Long-Term Disability Benefits will cease to apply as follows:

- (a) For an Employee eligible to make Options! Program elections during the Options! Program enrollment period, all elections in effect will cease to apply the day immediately preceding the effective date of the Employee's new elections under the Options! Program;
- (b) For an Employee ineligible to make Options! Program elections because of the Employee's employment category, elections in effect will cease to apply on the day immediately preceding the effective date of the Employee's new elections under the Options! Program.

APPENDIX TO
LIFE AND DISABILITY
BENEFITS PROGRAM

Appendix A

APPENDIX A

Procedure for Coordination of Disability Benefits with Social Security

The following outlines the procedures for reducing Sickness and Accident, Short-Term Disability Benefits, Extended Disability Benefits, Supplemental Extended Disability Benefits and Long-Term Disability Benefits by certain Social Security Benefits as provided in Article IV, Sections 4.07(h) and 4.09(b)(2)(iii) of the Life and Disability Benefits Program.

- (a) At commencement of the fifth full calendar month of disability, an Employee will be notified of the eligibility requirements for Social Security Disability Insurance Benefits (DIB). The Employee will be advised that, effective with the payment for the sixth full calendar month of disability, Sickness and Accident or Short-Term Disability (and monthly Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits computations will presume eligibility for DIB except as provided below. The Employee will also be advised that, subject to the Employee's completion of a Reimbursement Agreement, the Employee may receive unreduced Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits payments, commencing with the sixth full calendar month of disability, while the Employee is otherwise eligible. Further, the Employee will be instructed that, if the Employee's physician anticipates that the Employee's disability will not extend beyond twelve months, the Employee's physician should complete a statement indicating such a prognosis. Where such a statement is provided, a reduction of Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits, based on presumed eligibility for DIB, will not be instituted in the sixth full calendar month of disability.
- (b) At commencement of the eighth full calendar month of disability, any Employee whose physician has not completed the statement referenced in (a) above, will be advised to apply for DIB and instructed to complete an authorization form allowing the Social Security Administration to advise the

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Carrier of its determination. An Employee's failure to complete the authorization form within two weeks from the date of the notice instructing the Employee to do so will result in the suspension of an amount of Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits equal to the presumed amount of DIB until the Employee provides satisfactory proof that the authorization form has been completed. The Employee also will be advised that the Employee may authorize release of information in the Sickness and Accident or Short-Term Disability (and Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits claim files to the Social Security Administration.

- (c) At commencement of the fifteenth full calendar month of disability, the Employee will be notified that they are required to apply for DIB and a copy of the entire award or denial letter received from the Social Security Administration must be submitted to the Carrier. If the Employee has applied for DIB but has not received a determination from the Social Security Administration, a copy of the most recent correspondence received regarding the Employee's claim must be submitted to the Carrier. An Employee's failure to submit this correspondence will result in the suspension of an amount of Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits equal to the presumed amount of DIB until the Employee provides satisfactory proof of the status of their claim for DIB. In addition, the Employee will also be advised that if they retire with benefits under the Delphi Retirement Program for Salaried Employees and they have an outstanding disability benefit overpayment as stated in subsection (h) below, their eligibility for any future retirement benefit increases will be impacted in accordance with the terms of the Delphi Life and Disability Benefits Program.

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- (d) Upon receipt of an Initial determination of disallowance of DIB, unless no reconsideration level is available, a notice will be sent instructing the Employee that within two weeks from the date of the notice the Employee must (1) request a Reconsideration, and (2) complete an authorization form allowing the Social Security Administration to advise the Carrier of its determination. Failure to comply with this instruction, request such Reconsideration or complete the authorization form will result in the suspension of an amount of Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits payments equal to the presumed amount of DIB until the Employee provides satisfactory proof that such request has been filed and the authorization form has been completed.
- (e) Upon receipt of a Reconsideration determination of disallowance, or where no Reconsideration level is available, the Carrier will review the Employee's disability claim and will send a notice to the Employee instructing the Employee that within two weeks from the date of the notice the Employee must file for a Hearing before an administrative law judge of the Social Security Administration and complete an authorization form allowing the Social Security Administration to advise the Carrier of its determination. Failure to comply with this instruction will result in the suspension of an amount of Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits payments equal to the presumed amount of DIB until the Employee provides satisfactory proof that such request has been filed and the authorization form has been completed.
- (f) In the event of a Reconsideration or an administrative law judge Hearing determination denying DIB, and provided any subsequent review does not reverse such determination, the Employee will not be required to repay any Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits otherwise payable, unless such denial of DIB resulted from the Employee's refusal to

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accept vocational rehabilitation. Where such denial occurs, the Employee is obligated to repay Sickness and Accident or Short-Term Disability (and Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits in an amount not to exceed the amount of DIB (primary Insurance Amount only) to which the Employee would otherwise have been entitled for the same period or periods of disability.

- (g) In the event an Employee files for a Hearing before an administrative law judge pursuant to instructions issued under subsection (e), above, and the administrative law judge determination denies DIB, an amount equal to any reasonable expenses which an Employee incurs in conjunction with the Hearing before the administrative law judge will be paid to the Employee by the Carrier upon submission of satisfactory proof of such expenses.
- (h) Upon receipt of a notice of award of DIB, any overpayment of Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits caused by the retroactive award of DIB is to be repaid. The amount of the overpayment will be based on the actual amount (Primary Insurance Amount) of such award.
- (i) In the event of a DIB award resulting from a Reconsideration or Hearing before an administrative law judge, the amount of Sickness and Accident or Short-Term Disability (and Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits to be repaid will be reduced by an amount equal to any attorney fees associated with the award, provided the Employee makes such repayment within 30 days of the date the Employee is notified of the amount to be repaid. This reduction applies only to attorney fees associated with a successful appeal of a denial of DIB and includes only that portion of the attorney's fee associated with the period of time the Employee was entitled to receive Sickness and Accident or Short-Term

Appendix A

Disability (and Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits. This reduction for such attorney fees may not exceed 25 percent of the repayment due. Attorney fees for services prior to denial of the initial application for DIB will not reduce the amount of repayment due.

- (j) As an alternative, or in addition, to the DIB procedures set forth above, the Carrier may authorize an organization to evaluate an Employee's claim for DIB and represent the Employee in the filing of a claim or an appeal for DIB. The cost of such representation will not be paid by the Employee. Failure on the part of an Employee to comply, in a timely fashion, with reasonable requests from such an organization in conjunction with its representation of the Employee, will result in the suspension of an amount of Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits payments equal to the presumed amount of DIB until the Employee complies with such requests.
- (k) An Employee age 65 or older may be entitled to Retirement Benefits as early as the first day of total disability. No reduction of Sickness and Accident or Short-Term Disability Benefits will be made until the Employee provides evidence that the Employee is receiving Retirement Benefits.
- (l) In addition to the requirements set forth in (b), (c) (d) and (e) above, the Carrier will have the right to require the Employee to complete an authorization form allowing the Social Security Administration to advise the Carrier of the status of a claim for DIB. An Employee's failure to complete such authorization form within two weeks from the date of the notice informing the Employee of such requirement will result in the suspension of an amount of Sickness and Accident or Short-Term Disability (or Extended Disability, Supplemental Extended Disability or Long-Term Disability) Benefits payments equal to the presumed amount of DIB until such time as the authorization form is completed.